

**Calendar No. 276**

106TH CONGRESS  
1ST SESSION

**S. 566**

**[Report No. 106–157]**

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**A BILL**

To amend the Agricultural Trade Act of 1978 to exempt agricultural commodities, livestock, and value-added products from unilateral economic sanctions, to prepare for future bilateral and multilateral trade negotiations affecting United States agriculture, and for other purposes.

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SEPTEMBER 13, 1999

Reported with an amendment and an amendment to the  
title

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To amend the Agricultural Trade Act of 1978 to exempt agricultural commodities, livestock, and value-added products from unilateral economic sanctions, to prepare for future bilateral and multilateral trade negotiations affecting United States agriculture, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MARCH 8, 1999

Mr. LUGAR (for himself, Mr. McCONNELL, Mr. GORTON, Mrs. MURRAY, Mr. FITZGERALD, Mrs. LINCOLN, Mr. DASCHLE, Mr. COCHRAN, Mr. BAUCUS, Mr. HARKIN, Mr. ROBERTS, Mr. KERREY, Mr. GRAMS, Mr. JOHNSON, Mr. LEAHY, Mr. SANTORUM, Mr. BAYH, Mr. CONRAD, Mr. CRAIG, Mr. BURNS, Mr. SMITH of Oregon, Mr. BOND, Mr. ALLARD, Mr. BUNNING, Mrs. HUTCHISON, Mr. GRAMM, Mr. CLELAND, and Mr. CAMPBELL) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

SEPTEMBER 13, 1999

Reported by Mr. LUGAR, with an amendment and an amendment to the title

[Strike out all after the enacting clause and insert the part printed in *italic*]

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**A BILL**

To amend the Agricultural Trade Act of 1978 to exempt agricultural commodities, livestock, and value-added products from unilateral economic sanctions, to prepare for future bilateral and multilateral trade negotiations

affecting United States agriculture, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Agricultural Trade  
 5 Freedom Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act, the terms “agricultural commodity” and  
 8 “United States agricultural commodity” have the mean-  
 9 ings given the terms in section 102 of the Agricultural  
 10 Trade Act of 1978 (7 U.S.C. 5602).

11 **SEC. 3. AGRICULTURAL COMMODITIES, LIVESTOCK, AND**  
 12 **PRODUCTS EXEMPT FROM SANCTIONS.**

13 Title IV of the Agricultural Trade Act of 1978 (7  
 14 U.S.C. 5661 et seq.) is amended by adding at the end  
 15 the following:

16 **“SEC. 418. AGRICULTURAL COMMODITIES, LIVESTOCK, AND**  
 17 **PRODUCTS EXEMPT FROM SANCTIONS.**

18 “(a) **DEFINITIONS.**—In this section:

19 “(1) **CURRENT SANCTION.**—The term ‘current  
 20 sanction’ means a unilateral economic sanction that  
 21 is in effect on the date of enactment of the Agricul-  
 22 tural Trade Freedom Act.

1           ~~“(2) NEW SANCTION.—~~The term ‘new sanction’  
 2           means a unilateral economic sanction that becomes  
 3           effective after the date of enactment of that Act.

4           ~~“(3) UNILATERAL ECONOMIC SANCTION.—~~The  
 5           term ‘unilateral economic sanction’ means any prohi-  
 6           bition, restriction, or condition on economic activity,  
 7           including economic assistance, with respect to a for-  
 8           eign country or foreign entity that is imposed by the  
 9           United States for reasons of foreign policy or na-  
 10          tional security, except in a case in which the United  
 11          States imposes the measure pursuant to a multilat-  
 12          eral regime and the other members of that regime  
 13          have agreed to impose substantially equivalent meas-  
 14          ures.

15          ~~“(b) EXEMPTION.—~~

16                 ~~“(1) IN GENERAL.—~~Subject to paragraphs (2)  
 17                 and (3) and notwithstanding any other provision of  
 18                 law, agricultural commodities made available as a re-  
 19                 sult of commercial sales shall be exempt from a uni-  
 20                 lateral economic sanction imposed by the United  
 21                 States on another country.

22                 ~~“(2) EXCLUSIONS.—~~Paragraph (1) shall not  
 23                 apply to agricultural commodities made available as  
 24                 a result of programs carried out under—

1           “(A) the Agricultural Trade Development  
2           and Assistance Act of 1954 (7 U.S.C. 1691 et  
3           seq.);

4           “(B) section 416 of the Agricultural Act of  
5           1949 (7 U.S.C. 1431);

6           “(C) the Food for Progress Act of 1985 (7  
7           U.S.C. 1736o); or

8           “(D) the Agricultural Trade Act of 1978  
9           (7 U.S.C. 5601 et seq.).

10          “(3) DETERMINATION BY PRESIDENT.—If the  
11          President determines that the exemption provided  
12          under paragraph (1) should not apply to a unilateral  
13          economic sanction for reasons of foreign policy or  
14          national security, the President may include the ag-  
15          ricultural commodities made available as a result of  
16          the activities described in paragraph (1) in the uni-  
17          lateral economic sanction.

18          “(e) CURRENT SANCTIONS.—

19               “(1) IN GENERAL.—Subject to paragraph (2),  
20          the exemption under subsection (b)(1) shall apply to  
21          a current sanction.

22               “(2) PRESIDENTIAL REVIEW.—Not later than  
23          90 days after the date of enactment of the Agricul-  
24          tural Trade Freedom Act, the President shall review  
25          each current sanction to determine whether the ex-

1 exemption under subsection (b)(1) should apply to the  
2 current sanction.

3 ~~“(3) APPLICATION.—~~The exemption under sub-  
4 section (b)(1) shall apply to a current sanction be-  
5 ginning on the date that is 180 days after the date  
6 of enactment of the Agricultural Trade Freedom Act  
7 unless the President determines that the exemption  
8 should not apply to the current sanction for reasons  
9 of foreign policy or national security.

10 ~~“(d) REPORT.—~~

11 ~~“(1) IN GENERAL.—~~If the President determines  
12 that the exemption under subsection (b)(2) or (c)(2)  
13 should not apply to a unilateral economic sanction,  
14 the President shall submit a report to the Com-  
15 mittee on Agriculture of the House of Representa-  
16 tives and the Committee on Agriculture, Nutrition,  
17 and Forestry of the Senate—

18 ~~“(A) in the case of a current sanction, not~~  
19 ~~later than 15 days after the date of the deter-~~  
20 ~~mination under subsection (c)(2); and~~

21 ~~“(B) in the case of a new sanction, on the~~  
22 ~~date of the imposition of the new sanction.~~

23 ~~“(2) CONTENTS OF REPORT.—~~The report shall  
24 contain—

“(A) an explanation of the foreign policy or national security reasons for which the exemption should not apply to the unilateral economic sanction; and

“(B) an assessment by the Secretary—

“(i) regarding export sales—

“(I) in the case of a current sanction, whether markets in the sanctioned country or countries present a substantial trade opportunity for export sales of a United States agricultural commodity; or

“(II) in the case of a new sanction, the extent to which any country or countries to be sanctioned or likely to be sanctioned are markets that accounted for, during the preceding calendar year, more than 3 percent of export sales of a United States agricultural commodity;

“(ii) regarding the effect on United States agricultural commodities—

“(I) in the case of a current sanction, the potential for export sales of United States agricultural commod-

ities in the sanctioned country or countries; and

“(II) in the case of a new sanction, the likelihood that exports of United States agricultural commodities will be affected by the new sanction or by retaliation by any country to be sanctioned or likely to be sanctioned, including a description of specific United States agricultural commodities that are most likely to be affected;

“(iii) regarding the income of agricultural producers—

“(I) in the case of a current sanction, the potential for increasing the income of producers of the United States agricultural commodities involved; and

“(II) in the case of a new sanction, the likely effect on incomes of producers of the agricultural commodities involved;

“(iv) regarding displacement of United States suppliers—



1 “(I) in the case of a current  
2 sanction, the potential for increased  
3 competition for United States sup-  
4 pliers of the agricultural commodity in  
5 countries that are not subject to the  
6 current sanction; and

7 “(II) in the case of a new sanc-  
8 tion, the extent to which the new  
9 sanction would permit foreign sup-  
10 pliers to replace United States sup-  
11 pliers; and

12 “(v) regarding the reputation of  
13 United States agricultural producers as re-  
14 liable suppliers—

15 “(I) in the case of a current  
16 sanction, whether removing the sanc-  
17 tion would increase the reputation of  
18 United States producers as reliable  
19 suppliers of agricultural commodities  
20 in general, and of specific agricultural  
21 commodities identified by the Sec-  
22 retary; and

23 “(II) in the case of a new sanc-  
24 tion, the likely effect of the proposed  
25 sanction on the reputation of United

1 States producers as reliable suppliers  
2 of agricultural commodities in general,  
3 and of specific agricultural commod-  
4 ities identified by the Secretary.”.

5 **SEC. 4. OBJECTIVES FOR AGRICULTURAL NEGOTIATIONS.**

6 It is the sense of Congress that the principal agricul-  
7 tural trade negotiating objectives of the United States for  
8 future multilateral and bilateral trade negotiations (in-  
9 cluding negotiations involving the World Trade Organiza-  
10 tion) should be to achieve, on an expedited basis and to  
11 the maximum extent practicable, more open and fair con-  
12 ditions for trade in agricultural commodities by—

13 (1) developing, strengthening, and clarifying  
14 rules for trade in agricultural commodities, including  
15 eliminating or reducing restrictive or trade-distorting  
16 import and export practices, including—

17 (A) enhancing the operation and effective-  
18 ness of the relevant provisions of the Uruguay  
19 Round Agreements designed to define, deter,  
20 and discourage the persistent use of unfair  
21 trade practices; and

22 (B) enforcing and strengthening rules of  
23 the World Trade Organization regarding—

1 (i) trade-distorting practices of state  
2 trading enterprises and similar public and  
3 private trading enterprises; and

4 (ii) the acts, practices, or policies of a  
5 foreign government that unreasonably—

6 (I) require that substantial direct  
7 investment in the foreign country be  
8 made as a condition for carrying on  
9 business in the foreign country;

10 (II) require that intellectual  
11 property be licensed to the foreign  
12 country or to any firm of the foreign  
13 country; or

14 (III) delay or preclude implemen-  
15 tation of a report of a dispute panel  
16 of the World Trade Organization;

17 (2) increasing the export of United States agri-  
18 cultural commodities by eliminating barriers to trade  
19 (including transparent and nontransparent barriers);

20 (3) eliminating other specific constraints to fair  
21 trade (such as export subsidies, quotas, and other  
22 nontariff import barriers and more open market ac-  
23 cess) in foreign markets for United States agricul-  
24 tural commodities;

1           (4) developing, strengthening, and clarifying  
2       rules that address practices that unfairly limit  
3       United States market access opportunities or distort  
4       markets for United States agricultural commodities  
5       to the detriment of the United States, including—

6           (A) unfair or trade-distorting activities of  
7       state trading enterprises, and similar public and  
8       private trading enterprises, that result in inad-  
9       equately price transparency;

10          (B) unjustified restrictions or commercial  
11       requirements affecting new technologies, includ-  
12       ing biotechnology;

13          (C) unjustified sanitary or phytosanitary  
14       restrictions; and

15          (D) restrictive rules in the establishment  
16       and administration of tariff-rate quotas;

17       (5) ensuring that there are reliable suppliers of  
18       agricultural commodities in international commerce  
19       by encouraging countries to treat foreign buyers no  
20       less favorably than domestic buyers of the com-  
21       modity or product involved; and

22       (6) eliminating nontariff trade barriers for  
23       meeting the food needs of an increasing world popu-  
24       lation through the use of biotechnology by—

1           (A) ensuring market access to United  
2           States agricultural commodities derived from  
3           biotechnology that is scientifically defensible;

4           (B) opposing the establishment of protec-  
5           tionist trade measures disguised as health  
6           standards; and

7           (C) protesting continual delays by other  
8           countries in their approval processes.

9   **SEC. 5. SALE OR BARTER OF FOOD ASSISTANCE.**

10       It is the sense of Congress that the amendments to  
11       section 203 of the Agricultural Trade Development and  
12       Assistance Act of 1954 (7 U.S.C. 1723) made by section  
13       208 of the Federal Agriculture Improvement and Reform  
14       Act of 1996 (Public Law 104–127; 110 Stat. 954) were  
15       intended to allow the sale or barter of United States agri-  
16       cultural commodities in connection with United States  
17       food assistance only within the recipient country or coun-  
18       tries adjacent to the recipient country, unless—

19           (1) the sale or barter within the recipient coun-  
20       try or adjacent countries is not practicable; and

21           (2) the sale or barter within countries other  
22       than the recipient country or adjacent countries will  
23       not disrupt commercial markets for the agricultural  
24       commodity involved.

1 **SEC. 6. SENSE OF CONGRESS REGARDING RELIEF FROM**  
2 **UNFAIR TRADE PRACTICES AFFECTING**  
3 **UNITED STATES AGRICULTURAL COMMOD-**  
4 **ITIES.**

5 (a) FINDINGS.—Congress finds that—

6 (1) often dispute settlement proceedings to re-  
7 solve unfair trade practices of foreign countries that  
8 restrict market access of United States agricultural  
9 commodities are inadequate, time consuming, and  
10 cumbersome; and

11 (2) practices that unfairly limit market access  
12 opportunities for United States agricultural com-  
13 modities through export subsidies and import bar-  
14 riers include—

15 (A) unfair or trade-distorting activities of  
16 state trading enterprises, and similar public and  
17 private trading enterprises, that result in inad-  
18 equate price transparency;

19 (B) unjustified restrictions or commercial  
20 requirements affecting new technologies, includ-  
21 ing biotechnology, that are not scientifically de-  
22 fensible;

23 (C) unjustified sanitary or phytosanitary  
24 restrictions;

25 (D) restrictive rules for the establishment  
26 and administration of tariff-rate quotas;

1           (E) requirements that substantial direct  
 2           investment in the foreign country be made as a  
 3           condition for carrying on business in the foreign  
 4           country; and

5           (F) requirements that intellectual property  
 6           be licensed to the foreign country or to any firm  
 7           of the foreign country.

8       (b) SENSE OF CONGRESS.—It is the sense of Con-  
 9       gress that the Secretary of Agriculture should aggressively  
 10      use the authorities granted to the Secretary under section  
 11      302 of the Agricultural Trade Act of 1978 (7 U.S.C.  
 12      5652), which provides the Secretary with the authority to  
 13      use programs of the Department of Agriculture for the  
 14      agricultural commodity involved when there is undue delay  
 15      in a dispute resolution proceeding of an international  
 16      trade agreement (such as an agreement administered by  
 17      the World Trade Organization).

18   **SEC. 7. MICRONUTRIENT FORTIFICATION PILOT PROGRAM.**

19       Section 415 of the Agricultural Trade Development  
 20      and Assistance Act of 1954 (7 U.S.C. 1736g-2) is re-  
 21      pealed.

22   **SEC. 8. TECHNICAL CORRECTIONS.**

23       (a) ADMINISTRATIVE PROVISIONS.—Section 216 of  
 24      the Federal Agriculture Improvement and Reform Act of  
 25      1996 (Public Law 104-127; 110 Stat. 957) is amended—

1           (1) in paragraph (2), by striking “subsection  
2           (e)” and inserting “subsection (b)”;

3           (2) in paragraph (3), by striking “subsection  
4           (d)” and inserting “subsection (e)”;

5           (3) in paragraph (4), by striking “subsection  
6           (g)(2)” and inserting “subsection (f)(2)”; and

7           (4) in paragraph (5), by striking “subsection  
8           (h)” and inserting “subsection (g)”.

9           (b) EMERGING MARKETS.—Section 1542(d)(1)(A)(i)  
10 of the Food, Agriculture, Conservation, and Trade Act of  
11 1990 (Public Law 101–624; 7 U.S.C. 5622 note) is  
12 amended by striking “such democracies” and inserting  
13 “the markets”.

14          (c) TRADE COMPENSATION AND ASSISTANCE PRO-  
15 GRAMS.—Section 417(a) of the Agricultural Trade Act of  
16 1978 (7 U.S.C. 5677(a)) is amended by inserting “of an  
17 agricultural commodity” after “causes exports”.

18          (d) EFFECTIVE DATE.—The amendments made by  
19 this section take effect on April 4, 1996.

20 **SECTION 1. SHORT TITLE.**

21           *This Act may be cited as the “Agricultural Trade Free-*  
22 *dom Act”.*

23 **SEC. 2. DEFINITIONS.**

24           *In this Act, the terms “agricultural commodity” and*  
25 *“United States agricultural commodity” have the meanings*



1 *given the terms in section 102 of the Agricultural Trade*  
 2 *Act of 1978 (7 U.S.C. 5602).*

3 **SEC. 3. AGRICULTURAL COMMODITIES, LIVESTOCK, AND**  
 4 **PRODUCTS EXEMPT FROM UNILATERAL AGRI-**  
 5 **CULTURAL SANCTIONS.**

6 *Title IV of the Agricultural Trade Act of 1978 (7*  
 7 *U.S.C. 5661 et seq.) is amended by adding at the end the*  
 8 *following:*

9 **“SEC. 418. AGRICULTURAL COMMODITIES, LIVESTOCK, AND**  
 10 **PRODUCTS EXEMPT FROM UNILATERAL AGRI-**  
 11 **CULTURAL SANCTIONS.**

12 *“(a) DEFINITIONS.—In this section:*

13 *“(1) CURRENT SANCTION.—The term ‘current*  
 14 *sanction’ means a unilateral agricultural sanction*  
 15 *that is in effect on the date of enactment of the Agri-*  
 16 *cultural Trade Freedom Act.*

17 *“(2) NEW SANCTION.—The term ‘new sanction’*  
 18 *means a unilateral agricultural sanction that becomes*  
 19 *effective after the date of enactment of that Act.*

20 *“(3) UNILATERAL AGRICULTURAL SANCTION.—*  
 21 *The term ‘unilateral agricultural sanction’ means*  
 22 *any prohibition, restriction, or condition that is im-*  
 23 *posed on the export of an agricultural commodity to*  
 24 *a foreign country or foreign entity and that is im-*  
 25 *posed by the United States for reasons of the national*

1     *interest, except in a case in which the United States*  
 2     *imposes the measure pursuant to a multilateral re-*  
 3     *gime and the other members of that regime have*  
 4     *agreed to impose substantially equivalent measures.*

5     “(b) *EXEMPTION.—*

6             “(1) *IN GENERAL.—Subject to paragraphs (2)*  
 7     *and (3) and notwithstanding any other provision of*  
 8     *law, agricultural commodities made available as a re-*  
 9     *sult of commercial sales shall be exempt from a uni-*  
 10    *lateral agricultural sanction imposed by the United*  
 11    *States on another country.*

12            “(2) *EXCLUSIONS.—Paragraph (1) shall not*  
 13    *apply to agricultural commodities made available as*  
 14    *a result of programs carried out under—*

15                “(A) *the Agricultural Trade Development*  
 16     *and Assistance Act of 1954 (7 U.S.C. 1691 et*  
 17     *seq.);*

18                “(B) *section 416 of the Agricultural Act of*  
 19     *1949 (7 U.S.C. 1431);*

20                “(C) *the Food for Progress Act of 1985 (7*  
 21     *U.S.C. 1736o);*

22                “(D) *the Agricultural Trade Act of 1978 (7*  
 23     *U.S.C. 5601 et seq.); or*

24                “(E) *section 153 of the Food Security Act*  
 25     *of 1985 (15 U.S.C. 713a–14).*

1           “(3) *DETERMINATION BY PRESIDENT.—The*  
 2           *President may include agricultural commodities*  
 3           *made available as a result of the activities described*  
 4           *in paragraph (1) in the unilateral agricultural sanc-*  
 5           *tion imposed on a foreign country or foreign entity*  
 6           *if—*

7                     “(A) *a declaration of war by Congress is in*  
 8                     *effect with respect to the foreign country or for-*  
 9                     *ign entity; or*

10                    “(B)(i) *the President determines that inclu-*  
 11                    *sion of the agricultural commodities is in the na-*  
 12                    *tional interest;*

13                    “(ii) *the President submits the report re-*  
 14                    *quired under subsection (d); and*

15                    “(iii) *Congress has not approved a joint*  
 16                    *resolution stating the disapproval of Congress of*  
 17                    *the report submitted under subsection (d).*

18           “(4) *EFFECT ON AGRICULTURAL TRADE.—Noth-*  
 19           *ing in this subsection requires the imposition of a*  
 20           *unilateral agricultural sanction with respect to an*  
 21           *agricultural commodity, whether exported in connec-*  
 22           *tion with a commercial sale or a program described*  
 23           *in paragraph (2).*

24           “(c) *CURRENT SANCTIONS.—*

1           “(1) *IN GENERAL*.—Subject to paragraph (2), the  
2           *exemption under subsection (b)(1) shall apply to a*  
3           *current sanction.*

4           “(2) *PRESIDENTIAL REVIEW*.—Not later than 90  
5           *days after the date of enactment of the Agricultural*  
6           *Trade Freedom Act, the President shall review each*  
7           *current sanction to determine whether the exemption*  
8           *under subsection (b)(1) should apply to the current*  
9           *sanction.*

10          “(3) *APPLICATION*.—The exemption under sub-  
11          *section (b)(1) shall apply to a current sanction begin-*  
12          *ning on the date that is 180 days after the date of*  
13          *enactment of the Agricultural Trade Freedom Act un-*  
14          *less the President determines that the exemption*  
15          *should not apply to the current sanction for reasons*  
16          *of the national interest.*

17          “(d) *REPORT*.—

18               “(1) *IN GENERAL*.—If the President determines  
19               *under subsection (b)(3)(B)(i) or (c)(3) that the exemp-*  
20               *tion should not apply to a unilateral agricultural*  
21               *sanction, the President shall submit a report to Con-*  
22               *gress not later than 15 days after the date of the de-*  
23               *termination.*

24               “(2) *CONTENTS OF REPORT*.—The report shall  
25               *contain—*

1 “(A) an explanation of—

2 “(i) the economic activity that is pro-  
3 posed to be prohibited, restricted, or condi-  
4 tioned by the unilateral agricultural sanc-  
5 tion; and

6 “(ii) the national interest for which the  
7 exemption should not apply to the unilat-  
8 eral agricultural sanction; and

9 “(B) an assessment by the Secretary—

10 “(i) regarding export sales—

11 “(I) in the case of a current sanc-  
12 tion, whether markets in the sanctioned  
13 country or countries present a substan-  
14 tial trade opportunity for export sales  
15 of a United States agricultural com-  
16 modity; or

17 “(II) in the case of a new sanc-  
18 tion, the extent to which any country  
19 or countries to be sanctioned or likely  
20 to be sanctioned are markets that ac-  
21 counted for, during the preceding cal-  
22 endar year, more than 3 percent of ex-  
23 port sales of a United States agricul-  
24 tural commodity;

1                   “(ii) regarding the effect on United  
2                   States agricultural commodities—

3                   “(I) in the case of a current sanc-  
4                   tion, the potential for export sales of  
5                   United States agricultural commodities  
6                   in the sanctioned country or countries;  
7                   and

8                   “(II) in the case of a new sanc-  
9                   tion, the likelihood that exports of  
10                  United States agricultural commodities  
11                  will be affected by the new sanction or  
12                  by retaliation by any country to be  
13                  sanctioned or likely to be sanctioned,  
14                  including a description of specific  
15                  United States agricultural commodities  
16                  that are most likely to be affected;

17                  “(iii) regarding the income of agricul-  
18                  tural producers—

19                  “(I) in the case of a current sanc-  
20                  tion, the potential for increasing the  
21                  income of producers of the United  
22                  States agricultural commodities in-  
23                  volved; and

24                  “(II) in the case of a new sanc-  
25                  tion, the likely effect on incomes of pro-

1                    *ducers of the agricultural commodities*  
 2                    *involved;*

3                    *“(iv) regarding displacement of United*  
 4                    *States suppliers—*

5                    *“(I) in the case of a current sanc-*  
 6                    *tion, the potential for increased com-*  
 7                    *petition for United States suppliers of*  
 8                    *the agricultural commodity in coun-*  
 9                    *tries that are not subject to the current*  
 10                    *sanction because of uncertainty about*  
 11                    *the reliability of the United States sup-*  
 12                    *pliers; and*

13                    *“(II) in the case of a new sanc-*  
 14                    *tion, the extent to which the new sanc-*  
 15                    *tion would permit foreign suppliers to*  
 16                    *replace United States suppliers; and*

17                    *“(v) regarding the reputation of*  
 18                    *United States agricultural producers as re-*  
 19                    *liable suppliers—*

20                    *“(I) in the case of a current sanc-*  
 21                    *tion, whether removing the sanction*  
 22                    *would improve the reputation of*  
 23                    *United States producers as reliable*  
 24                    *suppliers of agricultural commodities*  
 25                    *in general, and of specific agricultural*

1                    *commodities identified by the Sec-*  
 2                    *retary; and*

3                    *“(II) in the case of a new sanc-*  
 4                    *tion, the likely effect of the proposed*  
 5                    *sanction on the reputation of United*  
 6                    *States producers as reliable suppliers*  
 7                    *of agricultural commodities in general,*  
 8                    *and of specific agricultural commod-*  
 9                    *ities identified by the Secretary.*

10                  *“(e) CONGRESSIONAL PRIORITY PROCEDURES.—*

11                  *“(1) JOINT RESOLUTION.—In this subsection, the*  
 12                  *term ‘joint resolution’ means only a joint resolution*  
 13                  *introduced within 10 session days of Congress after*  
 14                  *the date on which the report of the President under*  
 15                  *subsection (d) is received by Congress, the matter*  
 16                  *after the resolving clause of which is as follows: ‘That*  
 17                  *Congress disapproves the report of the President pur-*  
 18                  *suant to section 418(d) of the Agricultural Trade Act*  
 19                  *of 1978, transmitted on \_\_\_\_\_.’, with the*  
 20                  *blank completed with the appropriate date.*

21                  *“(2) REFERRAL OF REPORT.—The report de-*  
 22                  *scribed in subsection (d) shall be referred to the ap-*  
 23                  *propriate committee or committees of the House of*  
 24                  *Representatives and to the appropriate committee or*  
 25                  *committees of the Senate.*



1           “(3) *REFERRAL OF JOINT RESOLUTION.*—

2                   “(A) *IN GENERAL.*—*A joint resolution shall*  
3                   *be referred to the committees in each House of*  
4                   *Congress with jurisdiction.*

5                   “(B) *REPORTING DATE.*—*A joint resolution*  
6                   *referred to in subparagraph (A) may not be re-*  
7                   *ported before the eighth session day of Congress*  
8                   *after the introduction of the joint resolution.*

9           “(4) *DISCHARGE OF COMMITTEE.*—*If the com-*  
10           *mittee to which is referred a joint resolution has not*  
11           *reported the joint resolution (or an identical joint res-*  
12           *olution) at the end of 30 session days of Congress*  
13           *after the date of introduction of the joint resolution—*

14                   “(A) *the committee shall be discharged from*  
15                   *further consideration of the joint resolution; and*

16                   “(B) *the joint resolution shall be placed on*  
17                   *the appropriate calendar of the House concerned.*

18           “(5) *FLOOR CONSIDERATION.*—

19                   “(A) *MOTION TO PROCEED.*—

20                   “(i) *IN GENERAL.*—*When the com-*  
21                   *mittee to which a joint resolution is referred*  
22                   *has reported, or when a committee is dis-*  
23                   *charged under paragraph (4) from further*  
24                   *consideration of, a joint resolution—*

1                   “(I) it shall be at any time there-  
 2                   after in order (even though a previous  
 3                   motion to the same effect has been dis-  
 4                   agreed to) for any member of the  
 5                   House concerned to move to proceed to  
 6                   the consideration of the joint resolu-  
 7                   tion; and

8                   “(II) all points of order against  
 9                   the joint resolution (and against con-  
 10                  sideration of the joint resolution) are  
 11                  waived.

12                  “(ii) *PRIVILEGE.*—The motion to pro-  
 13                  ceed to the consideration of the joint  
 14                  resolution—

15                  “(I) shall be highly privileged in  
 16                  the House of Representatives and priv-  
 17                  ileged in the Senate; and

18                  “(II) shall not be debatable.

19                  “(iii) *AMENDMENTS AND MOTIONS NOT*  
 20                  *IN ORDER.*—The motion to proceed to the  
 21                  consideration of the joint resolution shall  
 22                  not be subject to—

23                  “(I) amendment;

24                  “(II) a motion to postpone; or

1                   “(III) a motion to proceed to the  
2                   consideration of other business.

3                   “(iv) *MOTION TO RECONSIDER NOT IN*  
4                   *ORDER.—A motion to reconsider the vote by*  
5                   *which the motion is agreed to or disagreed*  
6                   *to shall not be in order.*

7                   “(v) *BUSINESS UNTIL DISPOSITION.—*  
8                   *If a motion to proceed to the consideration*  
9                   *of the joint resolution is agreed to, the joint*  
10                  *resolution shall remain the unfinished busi-*  
11                  *ness of the House concerned until disposed*  
12                  *of.*

13                  “(B) *LIMITATIONS ON DEBATE.—*

14                  “(i) *IN GENERAL.—Debate on the joint*  
15                  *resolution, and on all debatable motions*  
16                  *and appeals in connection with the joint*  
17                  *resolution, shall be limited to not more than*  
18                  *10 hours, which shall be divided equally be-*  
19                  *tween those favoring and those opposing the*  
20                  *joint resolution.*

21                  “(ii) *FURTHER DEBATE LIMITA-*  
22                  *TIONS.—A motion to limit debate shall be*  
23                  *in order and shall not be debatable.*

24                  “(iii) *AMENDMENTS AND MOTIONS NOT*  
25                  *IN ORDER.—An amendment to, a motion to*

1           *postpone, a motion to proceed to the consid-*  
 2           *eration of other business, a motion to re-*  
 3           *commit the joint resolution, or a motion to*  
 4           *reconsider the vote by which the joint reso-*  
 5           *lution is agreed to or disagreed to shall not*  
 6           *be in order.*

7           “(C) *VOTE ON FINAL PASSAGE.—Imme-*  
 8           *diately following the conclusion of the debate on*  
 9           *a joint resolution, and a single quorum call at*  
 10          *the conclusion of the debate if requested in ac-*  
 11          *cordance with the rules of the House concerned,*  
 12          *the vote on final passage of the joint resolution*  
 13          *shall occur.*

14          “(D) *RULINGS OF THE CHAIR ON PROCE-*  
 15          *DURE.—An appeal from a decision of the Chair*  
 16          *relating to the application of the rules of the*  
 17          *Senate or House of Representatives, as the case*  
 18          *may be, to the procedure relating to a joint reso-*  
 19          *lution shall be decided without debate.*

20          “(6) *COORDINATION WITH ACTION BY OTHER*  
 21          *HOUSE.—If, before the passage by 1 House of a joint*  
 22          *resolution of that House, that House receives from the*  
 23          *other House a joint resolution, the following proce-*  
 24          *dures shall apply:*

1                   “(A) *NO COMMITTEE REFERRAL.*—*The joint*  
 2                   *resolution of the other House shall not be referred*  
 3                   *to a committee.*

4                   “(B) *FLOOR PROCEDURE.*—*With respect to*  
 5                   *a joint resolution of the House receiving the joint*  
 6                   *resolution—*

7                   “(i) *the procedure in that House shall*  
 8                   *be the same as if no joint resolution had*  
 9                   *been received from the other House; but*

10                  “(ii) *the vote on final passage shall be*  
 11                  *on the joint resolution of the other House.*

12                  “(C) *DISPOSITION OF JOINT RESOLUTIONS*  
 13                  *OF RECEIVING HOUSE.*—*On disposition of the*  
 14                  *joint resolution received from the other House, it*  
 15                  *shall no longer be in order to consider the joint*  
 16                  *resolution originated in the receiving House.*

17                  “(7) *PROCEDURES AFTER ACTION BY BOTH THE*  
 18                  *HOUSE AND SENATE.*—*If a House receives a joint res-*  
 19                  *olution from the other House after the receiving*  
 20                  *House has disposed of a joint resolution originated in*  
 21                  *that House, the action of the receiving House with re-*  
 22                  *gard to the disposition of the joint resolution origi-*  
 23                  *nated in that House shall be deemed to be the action*  
 24                  *of the receiving House with regard to the joint resolu-*  
 25                  *tion originated in the other House.*

1           “(8) *RULEMAKING POWER.*—*This subsection is*  
2       *enacted by Congress—*

3           “(A) *as an exercise of the rulemaking power*  
4       *of the Senate and House of Representatives, re-*  
5       *spectively, and as such this subsection—*

6           “(i) *is deemed to be a part of the rules*  
7       *of each House, respectively, but applicable*  
8       *only with respect to the procedure to be fol-*  
9       *lowed in that House in the case of a joint*  
10       *resolution; and*

11          “(ii) *supersedes other rules only to the*  
12       *extent that this subsection is inconsistent*  
13       *with those rules; and*

14          “(B) *with full recognition of the constitu-*  
15       *tional right of either House to change the rules*  
16       *(so far as the rules relate to the procedure of that*  
17       *House) at any time, in the same manner and to*  
18       *the same extent as in the case of any other rule*  
19       *of that House.”.*

20   **SEC. 4. OBJECTIVES FOR AGRICULTURAL NEGOTIATIONS.**

21       *It is the sense of Congress that the principal agricul-*  
22       *tural trade negotiating objectives of the United States for*  
23       *future multilateral and bilateral trade negotiations (includ-*  
24       *ing negotiations involving the World Trade Organization)*  
25       *should be to achieve, on an expedited basis and to the max-*

1 *imum extent practicable, more open and fair conditions for*  
 2 *trade in agricultural commodities by—*

3 *(1) developing, strengthening, and clarifying*  
 4 *rules for trade in agricultural commodities, including*  
 5 *eliminating or reducing restrictive or trade-distorting*  
 6 *import and export practices, including—*

7 *(A) enhancing the operation and effective-*  
 8 *ness of the relevant provisions of the Uruguay*  
 9 *Round Agreements designed to define, deter, and*  
 10 *discourage the persistent use of unfair trade*  
 11 *practices; and*

12 *(B) enforcing and strengthening rules of the*  
 13 *World Trade Organization regarding—*

14 *(i) trade-distorting practices of state*  
 15 *trading enterprises and similar public and*  
 16 *private trading enterprises; and*

17 *(ii) the acts, practices, or policies of a*  
 18 *foreign government that unreasonably—*

19 *(I) require that substantial direct*  
 20 *investment in the foreign country be*  
 21 *made as a condition for carrying on*  
 22 *business in the foreign country;*

23 *(II) require that intellectual prop-*  
 24 *erty be licensed to the foreign country*

1                                    *or to any firm of the foreign country;*

2                                    *or*

3                                    *(III) delay or preclude implemen-*  
 4                                    *tation of a report of a dispute panel of*  
 5                                    *the World Trade Organization;*

6                                    *(2) increasing the export of United States agri-*  
 7                                    *cultural commodities by eliminating barriers to trade*  
 8                                    *(including transparent and nontransparent barriers);*  
 9                                    *(3) eliminating other specific constraints to fair*  
 10                                   *trade (such as export subsidies, quotas, and other*  
 11                                   *nontariff import barriers and more open market ac-*  
 12                                   *cess) in foreign markets for United States agricul-*  
 13                                   *tural commodities;*

14                                   *(4) developing, strengthening, and clarifying*  
 15                                   *rules that address practices that unfairly limit*  
 16                                   *United States market access opportunities or distort*  
 17                                   *markets for United States agricultural commodities to*  
 18                                   *the detriment of the United States, including—*

19                                   *(A) unfair or trade-distorting activities of*  
 20                                   *state trading enterprises, and similar public and*  
 21                                   *private trading enterprises, that result in inad-*  
 22                                   *equately price transparency;*

23                                   *(B) commercial requirements, or restrictions*  
 24                                   *not based on scientific principles and not main-*



1           *tained with sufficient scientific evidence, affect-*  
 2           *ing new technologies;*

3           *(C) unjustified sanitary or phytosanitary*  
 4           *restrictions; and*

5           *(D) restrictive rules in the establishment*  
 6           *and administration of tariff-rate quotas;*

7           *(5) ensuring that there are reliable suppliers of*  
 8           *agricultural commodities in international commerce*  
 9           *by encouraging countries to treat foreign buyers no*  
 10          *less favorably than domestic buyers of the commodity*  
 11          *or product involved;*

12          *(6) eliminating nontariff trade barriers for meet-*  
 13          *ing the food needs of an increasing world population*  
 14          *through the use of new technologies by—*

15               *(A) ensuring market access to United States*  
 16               *agricultural commodities derived from bio-*  
 17               *technology that is based on scientific principles*  
 18               *and maintained with sufficient scientific evi-*  
 19               *dence;*

20               *(B) opposing the establishment of protec-*  
 21               *tionist trade measures disguised as health stand-*  
 22               *ards; and*

23               *(C) protesting continual delays by other*  
 24               *countries in their approval processes; and*

1           (7) ensuring that foreign market access to United  
 2       States agricultural commodities produced using tra-  
 3       ditional agricultural practices, organic farming, sus-  
 4       tainable agriculture, or other agricultural practices is  
 5       not denied for reasons that are inconsistent with the  
 6       rules of the World Trade Organization.

7   **SEC. 5. SALE OR BARTER OF FOOD ASSISTANCE.**

8       *It is the sense of Congress that the amendments to sec-*  
 9       *tion 203 of the Agricultural Trade Development and Assist-*  
 10      *ance Act of 1954 (7 U.S.C. 1723) made by section 208 of*  
 11      *the Federal Agriculture Improvement and Reform Act of*  
 12      *1996 (Public Law 104–127; 110 Stat. 954) were intended*  
 13      *to allow the sale or barter of United States agricultural*  
 14      *commodities in connection with United States food assist-*  
 15      *ance only within the recipient country or countries adjacent*  
 16      *to the recipient country, unless—*

17           (1) the sale or barter within the recipient coun-  
 18       try or adjacent countries is not practicable; and

19           (2) the sale or barter within countries other than  
 20       the recipient country or adjacent countries will not  
 21       disrupt commercial markets for the agricultural com-  
 22       modity involved.

1 **SEC. 6. SENSE OF CONGRESS REGARDING RELIEF FROM**  
2 **UNFAIR TRADE PRACTICES AFFECTING**  
3 **UNITED STATES AGRICULTURAL COMMOD-**  
4 **ITIES.**

5 (a) *FINDINGS.*—Congress finds that—

6 (1) *often dispute settlement proceedings to resolve*  
7 *unfair trade practices of foreign countries that re-*  
8 *strict market access of United States agricultural*  
9 *commodities are inadequate, time consuming, and*  
10 *cumbersome; and*

11 (2) *practices that unfairly limit market access*  
12 *opportunities for United States agricultural commod-*  
13 *ities through export subsidies and import barriers*  
14 *include—*

15 (A) *unfair or trade-distorting activities of*  
16 *state trading enterprises, and similar public and*  
17 *private trading enterprises, that result in inad-*  
18 *equately price transparency;*

19 (B) *unjustified restrictions or commercial*  
20 *requirements affecting new technologies, includ-*  
21 *ing biotechnology, that are not scientifically de-*  
22 *fensible;*

23 (C) *unjustified sanitary or phytosanitary*  
24 *restrictions;*

25 (D) *restrictive rules for the establishment*  
26 *and administration of tariff-rate quotas;*

1                   (E) requirements that substantial direct in-  
 2                   vestment in the foreign country be made as a  
 3                   condition for carrying on business in the foreign  
 4                   country; and

5                   (F) requirements that intellectual property  
 6                   be licensed to the foreign country or to any firm  
 7                   of the foreign country.

8           (b) *SENSE OF CONGRESS.*—*It is the sense of Congress*  
 9           *that the Secretary of Agriculture should aggressively use the*  
 10           *authorities granted to the Secretary under section 302 of*  
 11           *the Agricultural Trade Act of 1978 (7 U.S.C. 5652), which*  
 12           *provides the Secretary with the authority to use programs*  
 13           *of the Department of Agriculture for the agricultural com-*  
 14           *modity involved when there is undue delay in a dispute*  
 15           *resolution proceeding of an international trade agreement*  
 16           *(such as an agreement administered by the World Trade*  
 17           *Organization).*

18 **SEC. 7. MICRONUTRIENT FORTIFICATION PILOT PROGRAM.**

19           Section 415 of the Agricultural Trade Development  
 20           and Assistance Act of 1954 (7 U.S.C. 1736g–2) is repealed.

21 **SEC. 8. TECHNICAL CORRECTIONS.**

22           (a) *ADMINISTRATIVE PROVISIONS.*—Section 216 of the  
 23           *Federal Agriculture Improvement and Reform Act of 1996*  
 24           *(Public Law 104–127; 110 Stat. 957) is amended—*

1           (1) in paragraph (2), by striking “subsection  
2           (c)” and inserting “subsection (b)”;

3           (2) in paragraph (3), by striking “subsection  
4           (d)” and inserting “subsection (c)”;

5           (3) in paragraph (4), by striking “subsection  
6           (g)(2)” and inserting “subsection (f)(2)”; and

7           (4) in paragraph (5), by striking “subsection  
8           (h)” and inserting “subsection (g)”.

9           (b) *EMERGING MARKETS*.—Section 1542(d)(1)(A)(i) of  
10 the Food, Agriculture, Conservation, and Trade Act of 1990  
11 (Public Law 101–624; 7 U.S.C. 5622 note) is amended by  
12 striking “such democracies” and inserting “the markets”.

13          (c) *TRADE COMPENSATION AND ASSISTANCE PRO-*  
14 *GRAMS*.—Section 417(a) of the Agricultural Trade Act of  
15 1978 (7 U.S.C. 5677(a)) is amended by inserting “of an  
16 agricultural commodity” after “causes exports”.

17          (d) *EFFECTIVE DATE*.—The amendments made by this  
18 section take effect on April 4, 1996.

Amend the title so as to read: “A bill to amend the Agricultural Trade Act of 1978 to exempt agricultural commodities, livestock, and value-added products from unilateral agricultural sanctions, to prepare for future bilateral and multilateral trade negotiations affecting United States agriculture, and for other purposes.”.